

THE MINISTER OF STATE OF THE DEPARTMENT OF DISINVESTMENT (SHRI ARUN SHOURIE): (a) and (b) Yes, Sir. The decision to transfer the Vadodara unit to IOC and disinvestment through strategic sale of 25% equity for the rest of IPCL has been taken in view of synergies of this unit with the Gujarat Refinery of IOC, after inter-ministerial consultations between Department of Disinvestment, Ministry of Petroleum and Natural Gas and Department of Chemicals and Petrochemicals as well as with the Indian Oil Corporation. IOC can also participate in the strategic sale. Therefore, the Government has neither imposed an old unit of IPCL on IOC nor prevented it from participating in the process of disinvestment in IPCL.

(c) and (d) Government, after considering various options and all aspects, has decided to retain only 26% equity in IBP Co. Limited and to disinvest the balance 33.6% through international competitive bidding in which the domestic oil companies can also participate.

Bids for Centaur chain of five-star hotels

1004. SHRI RUMANDLA RAMACHANDRAIAH: Will the Minister of DISINVESTMENT be pleased to state:

(a) whether Government have moved a step closer towards sort listing and inviting financial bids for Hotel Corporation of India's Centaur chain of five-star hotels;

(b) if so, whether Government have considered the top bidder on this issue; and

(c) if so, by when a final decision in this regard is likely to be taken?

THE MINISTER OF STATE OF THE DEPARTMENT OF DISINVESTMENT (SHRI ARUN SHOURIE): (a) and (b) The process of disinvestment in Hotel Corporation of India Limited is under progress.

(c) No time frame for taking a final decision in the matter has yet been finalised.

Disinvestment of MFIL

1005. SHRI ABANI ROY: Will the Minister of DISINVESTMENT be pleased to state:

(a) whether the employees of Modern Food Industries Limited have raised their voice against disinvestment of their company, as reported in the Times of India, dated the 2nd February, 2001;

(b) if so, whether MFIL has been deliberately showing increase in losses to retrench its employees;

(c) if so, the details thereof;

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(d) whether Government propose to reconsider their decision keeping in view the demands of the workers of MFIL; and

(e) if so, the details thereof?

THE MINISTER OF STATE OF THE DEPARTMENT OF DISINVESTMENT (SHRI ARUN SHOURIE): (a) The Government is aware of the press report wherein *inter-alia* certain baseless and incorrect claims and allegations have been made.

(b) and (c) No, Sir. It is incorrect to say that the losses in MFIL have been deliberately shown as increased. The accounts of Modem Food Industries (India) Limited (MFIL) have been prepared by a reputed firm of Chartered Accountants, who are also on the C & AG panel of approved auditors, in accordance with the applicable Accounting Standards issued by the Institute of Chartered Accountants of India.

(d) No, Sir.

(e) Does not arise.

Privatisation of Indian Airlines

1006. SHRI KB. KRISHNA MURTHY: Will the Minister of DISINVESTMENT be pleased to state:

(a) whether there is no convergence of views between Government and the parent Ministry over the privatisation of Indian Airlines;

(b) whether the disinvestment process of IA is going on as per schedule;

(c) whether Government have stipulated a lock-in period of minimum Five years for the prospective bidders of stake in IA;

(d) if so, whether this is too long a period for the investor to wait for returns;

(e) whether any deadline has been set for IA disinvestment process to be completed; and

(f) if so, details of the same?

THE MINISTER OF STATE OF THE DEPARTMENT OF DISINVESTMENT (SHRI ARUN SHOURIE): (a) It is not correct to say that there is no convergence of views between the Government and the Ministry of Civil Aviation over the proposed disinvestment of Indian Airlines.

(b) Yes, Sir.

(c) and (d) The agreements have not yet been Finalised.